

Commonwealth of Massachusetts  
Department of Telecommunications and Energy  
Fitchburg Gas and Electric Light Company  
Docket Nos. D.T.E. 02-24/25  
Responses to the Division of Energy Resources First Set of Information Requests

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**Request No. DOER 1-14 (Gas):**

With reference to Exh. FGE-KMA-1 (Gas), page 365, the testimony states, in sum, that the Proposed Residential Customer Charge increases are approximately the same as the overall revenue requirement increase for the respective residential class. Taking this conclusion as correct and accurate, please explain, on a relative basis, if this level of increase tends to move either the Company's Customer Charges or Volumetric Rates closer to the appropriate costs for these residential rate classes.

**Response:**

The level of the increase in the customer charge moves the customer charges closer to the Preliminary Rate Design and Marginal Cost. Since the customer charge is not moved all the way to the Preliminary rate, the difference in the revenue is reconciled in the volumetric charge. As a result, the volumetric charges move further away from the appropriate (marginal) costs.

**Person Responsible:** Karen M. Asbury